

## CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET  
SACRAMENTO, CA 95814-5512



March 16, 2001

TO: AGENCY DISTRIBUTION LIST

**REQUEST FOR AGENCY PARTICIPATION IN THE REVIEW OF THE INDIGO ENERGY FACILITY EMERGENCY PERMITTING PROPOSAL (01-EP-2)**

On March 8, 2001, the Wildflower Energy LP (Wildflower) filed an emergency permitting application for the Indigo Energy Facility (Indigo). Wildflower submitted supplemental application information on March 15. Energy Commission staff has found the supplemented application is complete. A copy of the complete application, with the supplemental information inserted, is enclosed with this letter. The complete application is also available in Adobe PDF format on the project website, at [www.energy.ca.gov/sitingcases/peakers](http://www.energy.ca.gov/sitingcases/peakers).

This project is being reviewed under Public Resources Code section 25705, which grants the Energy Commission emergency permitting authority, and Executive Order D-26-01, issued February 8, 2001. **In Executive Order D-26-01, the Governor ordered the Energy Commission and other relevant state and local agencies to expedite review of proposed thermal power plants for construction and operation on an emergency basis by July 31, 2001. Executive Order D-28-01, issued on March 7, 2001, extended this date to September 30. The Commission requests that you send any comments, concerns, or proposed conditions of certification identified by your agency by Monday, March 26.** Comments should be sent to Kevin Kennedy, the Energy Commission project manager for Indigo, by e-mail at [kkennedy@energy.state.ca.us](mailto:kkennedy@energy.state.ca.us). We request that comments be sent in Word 97 or Word 2000 format.

Staff has begun conducting an expedited 'fatal-flaw' analysis of this project. A public hearing and site visit will be held in Palm Springs approximately seven to ten days after the application is determined to be complete. This hearing is tentatively scheduled on March 23. In order for the project, if approved, to be on line by September 30, the Energy Commission plans to complete the expedited review of this project within approximately three weeks.

The Indigo project will be a nominal 135 MW simple-cycle natural gas power plant approximately one-half mile northwest of the Indian Avenue interchange with I-10 in the City of Palm Springs, in Riverside County. Wildflower anticipates the state of commercial operation in early July 2001. The facility will connect to the 115 kV transmission line that runs between the Garnet and Devers substations. The project will include a new 24-inch natural gas supply line that will connect to one of the existing Southern California Gas Company main 30-inch pipelines south of I-10. The project will utilize Selective Catalytic Reduction (SCR) and CO oxidation catalyst systems to control emissions of oxides of nitrogen (NOx) and carbon monoxide (CO). The project will obtain water from the Mission Springs Water District, which has a 12-inch water main that runs along the south side of

the project site. Peak water usage is estimated at 240 gallons per minute. The only wastewater discharge from the facility will be storm drainage, which will be routed to an oil-water separator prior to discharge into the local storm drainage system. The project will use aqueous ammonia for the SCR system. The ammonia will be stored in three 10,000 gallons tanks with secondary containment.

Wildflower anticipates construction to take approximately four months. This schedule is dependent on timely completion of the natural gas and transmission interconnections. Wildflower estimates that the peak construction workforce for this project will be approximately 200.

### **ENERGY COMMISSION'S EMERGENCY PERMITTING AUTHORITY**

This project is being considered outside of the Energy Commission's normal power plant permitting process. Under Public Resources Code section 25705, if the legislature or the Governor declares a state of energy emergency, the Commission has emergency authority to order the construction and use of generating facilities under terms and conditions it specifies to protect the public interest. This authority can be invoked only if the Legislature or Governor declares a state of emergency and the Commission determines that all reasonable conservation, allocation, and service restriction measures may not alleviate an energy supply emergency. The Governor declared a state of emergency on January 17, 2001. On February 8, the Governor issued several executive orders and declared that all reasonable conservation, allocation, and service restriction measures may not alleviate an energy supply emergency.

In Executive Orders D-26-01 and D-28-01, the Governor ordered the Energy Commission to expedite the processing of applications for peaking and renewable power plants that can be on line by September 30, 2001. The Governor also declared that these projects are emergency projects under Public Resources Code section 21080(b)(4), and are thereby exempt from the requirements of the California Environmental Quality Act (CEQA). A summary of the emergency permitting process, including the proposed schedule, and a checklist showing the information required in an application, is available at [www.energy.ca.gov/sitingcases/peakers/documents](http://www.energy.ca.gov/sitingcases/peakers/documents). A copy of this summary is attached to this notice.

### **ENERGY COMMISSION'S EMERGENCY PERMITTING PROCESS**

Energy Commission staff has begun the review process by determining that the supplemented application contains all the information listed in the application checklist. Staff has now initiated a 'fatal-flaw' analysis of the project to determine whether the project should be approved, and we will develop recommended conditions of certification. The Energy Commission will hold a single public hearing and site visit in the local community five to ten days after the application is accepted as complete. This hearing, tentatively scheduled for March 23 in Palm Springs, will provide the public, as

well as local, state and federal agencies, the opportunity to ask questions about, and provide input on, the proposed project. A notice for this hearing will be mailed shortly, but anyone interested in attending is encouraged to check the project web site. The web site includes instructions for signing up for the project's email list-server.

## **AGENCY PARTICIPATION**

If the application is accepted as complete, your participation in the proceeding will be important in identifying and suggesting ways to resolve issues of concern to your agency. There may be specific requests for agency review and comment during the proceeding, though Commission staff anticipates completing its assessment of the project within approximately two weeks of determining the application is complete. If you have questions or would like additional information on how to participate in the Energy Commission's review of the project, please contact Kevin Kennedy, Siting Project Manager, at (916) 651-8836, or by e-mail at [kkennedy@energy.state.ca.us](mailto:kkennedy@energy.state.ca.us). A copy of Wildflowers application, information on the status of the project, copies of notices, and other relevant documents are also available via the Energy Commission's Internet page at [www.energy.ca.gov/sitingcases/peakers](http://www.energy.ca.gov/sitingcases/peakers).

Sincerely,

ROBERT L. THERKELSEN, Deputy Director for  
Energy Facilities Siting & Environmental Protection

Enclosure